

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-02351A
Picacho Peak Water Company
28784 Stonehenge Dr.
Chesterfield, MI 48047

ANNUAL REPORT

FOR YEAR ENDING

12	31	2007
----	----	------

FOR COMMISSION USE

ANN 04	07
--------	----

PROCESSED BY:

3-18-08

SCANNED

COMPANY INFORMATION

Company Name (Business Name) <u>Picacho Peak Water Company</u>			
Mailing Address <u>28784 Stonehenge Drive</u>			
<u>Chesterfield</u> (City)	<u>Michigan</u> (State)	<u>48047</u> (Zip)	
<u>(520) 250-1159</u> Telephone No. (Include Area Code)	<u>(520) 421-5036</u> Fax No. (Include Area Code)	<u>(520) 250-1159</u> Cell No. (Include Area Code)	
Email Address <u>dbechamp@alumac.com</u>			
Local Office Mailing Address _____			
_____ (City)	_____ (State)	_____ (Zip)	
_____ Local Office Telephone No. (Include Area Code)	_____ Fax No. (Include Area Code)	_____ Cell No. (Include Area Code)	
Email Address _____			

MANAGEMENT INFORMATION

Management Contact: <u>Bill McCabe</u> (Name)		<u>President</u> (Title)	
<u>150 Louisiana NE, Albuquerque</u> (Street)	<u>NM</u> (City)	<u>87108</u> (State) (Zip)	
<u>1-888-240-7746 ext 413</u> Telephone No. (Include Area Code)	<u>(505) 266-4500</u> Fax No. (Include Area Code)	_____ Cell No. (Include Area Code)	
Email Address <u>billm@bowlinco.com</u>			
On Site Manager: _____			
_____ (Name)			
_____ (Street)	_____ (City)	_____ (State)	_____ (Zip)
_____ Telephone No. (Include Area Code)	_____ Fax No. (Include Area Code)	_____ Cell No. (Include Area Code)	
Email Address _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Steve Wene

(Name)

1850 North Central Ave, Suite 1100, Phoenix, AZ, 85004

(Street)

(City)

(State)

(Zip)

(602) 604-2106

Telephone No. (Include Area Code)

(602) 274-9135

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: Mayer Storey

(Name)

1850 North Central Ave, Suite 1100, Phoenix, AZ, 85004

(Street)

(City)

(State)

(Zip)

(602) 604-2106

Telephone No. (Include Area Code)

(602) 274-9135

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address Swene@lawms.com

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☒ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

Picacho Peak Water Company

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	2,860	0	2,860
304	Structures and Improvements			
307	Wells and Springs	29,200	27,422	1,778
311	Pumping Equipment	64,069	55,064	9,005
320	Water Treatment Equipment	375	375	0
330	Distribution Reservoirs and Standpipes	15,132	12,655	2,477
331	Transmission and Distribution Mains	86,389	63,555	22,834
333	Services	708	673	35
334	Meters and Meter Installations	4,862	4,297	565
335	Hydrants	15,870	15,542	328
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	6,603	5,500	1,103
	TOTALS	226,068	185,083	40,985

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Picacho Peak Water Company

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	2,860	---	0
304	Structures and Improvements			
307	Wells and Springs	29,200	---	0
311	Pumping Equipment	64,069	3.72	2,382
320	Water Treatment Equipment	375	---	0
330	Distribution Reservoirs and Standpipes	15,132	---	0
331	Transmission and Distribution Mains	86,389	1.93	1,664
333	Services	708	---	0
334	Meters and Meter Installations	4,862	3.04	148
335	Hydrants	15,870	---	0
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	6,603	6.66	140
	TOTALS	226,068	2.05	4634

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME Picacho Peak Water Company

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ 1,100	\$ 1,100
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 1,100	\$ 1,100
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 50,973	\$ 41,678
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ 0	\$ 0
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 0	\$ 0
	TOTAL LIABILITIES	\$ 52,073	\$ 42,778
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 0	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	13,573	23,284
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 13,573	\$ 23,284
	TOTAL LIABILITIES AND CAPITAL	\$ 65,646	\$ 66,062

COMPANY NAME Picacho Peak Water Company

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 47,144	\$ 42,997
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 47,144	\$ 42,997
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 0	\$ 0
610	Purchased Water		
615	Purchased Power	4,333	4,492
618	Chemicals		
620	Repairs and Maintenance	0	100
621	Office Supplies and Expense	15	0
630	Outside Services	21,325	16,682
635	Water Testing	1,044	1,870
641	Rents		
650	Transportation Expenses		
657	Insurance - General Liability	1,620	500
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	75	0
403	Depreciation Expense	8,227	4,634
408	Taxes Other Than Income	55	131
408.11	Property Taxes	2,794 (SALES)	2,535 (SALES)
409	Income Tax	45	45
	TOTAL OPERATING EXPENSES	\$ 39,533	\$ 30,989
	OPERATING INCOME/(LOSS)	\$ 7,611	\$ 12,008
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 0	\$ 0
421	Non-Utility Income	266	0
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(3,078)	(2,297)
	TOTAL OTHER INCOME/(EXPENSE)	\$ (2,812)	\$
	NET INCOME/(LOSS)	\$ 4,799	\$ 9,711

COMPANY NAME

Picacho Peak Water Company

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	11-15-1979			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$ 200,000	\$	\$	\$
Amount Outstanding	\$ 41,678	\$	\$	\$
Date of Maturity	2020			
Interest Rate	5.0 %	%	%	%
Current Year Interest	\$ 2,297	\$	\$	\$
Current Year Principle	\$ 9,295	\$	\$	\$

Meter Deposit Balance at Test Year End

\$

Meter Deposits Refunded During the Test Year

\$

COMPANY NAME Picacho Peak Water Company

Name of System:

ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION**WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
623405	10	64	12"			
623406	10	82	12"			

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
7.5	2		
10	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
40,000	1	5,000	2

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	Picacho Peak Water Company
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Picacho Peak Water Company

Name of System:

ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2007

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	14	661	661	
FEBRUARY	14	682	682	
MARCH	14	632	632	
APRIL	14	741	741	
MAY	14	699	699	
JUNE	14	472	472	
JULY	14	716	716	
AUGUST	14	640	640	
SEPTEMBER	14	516	516	
OCTOBER	14	730	730	
NOVEMBER	14	532	532	
DECEMBER	14	592	592	
TOTALS →		7,613	7,613	

What is the level of arsenic for each well on your system? _____ mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
() Yes (X) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
(X) Yes () No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
() Yes (X) No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>Pinal</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Well Manager - Bookkeeper</u>
COMPANY NAME	<u>Picacho Peak Water Company</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2007</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

Louise R. Beechamps
SIGNATURE OF OWNER OR OFFICIAL
(520) 250-1159
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 11 DAY OF

COUNTY NAME	<u>MACOMB</u>	
MONTH	<u>MARCH</u>	<u>2008</u>

(SEAL)

MY COMMISSION EXPIRES 8-9-2012

Mary C. Aumann
SIGNATURE OF NOTARY PUBLIC
MARY C. AUMANN
Notary Public, State of Michigan
County of Macomb

My Commission Expires Aug. 9, 2012
Acting in the County of MACOMB

COMPANY NAME Picacho Peak Water Company YEAR ENDING 12/31/2007

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 0
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 0
Estimated or Actual State Tax Liability 415

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected 0
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Dawn R Bechamp
SIGNATURE

3/11/08
DATE

Dawn Bechamp
PRINTED NAME

Well Manager - Bookkeeper
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF Arizona

**I, THE UNDERSIGNED
OF THE**

COUNTY OF (COUNTY NAME)	<u>Pinal</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Dawn Bechamp, Well Manager-Bookkeeper</u>
COMPANY NAME	<u>Picacho Peak Water Company</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2007</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 42,997

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 2,460
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

Dawn R Bechamp
SIGNATURE OF OWNER OR OFFICIAL
(520) 250-1159
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 11 **DAY OF**

(SEAL)

MY COMMISSION EXPIRES 8-9-2012

COUNTY NAME	<u>MACOMB</u>	
MONTH	<u>MARCH</u>	<u>2008</u>

Mary C. Almon
SIGNATURE OF NOTARY PUBLIC

MARY C. ALMON
Notary Public, State of Michigan
County of Macomb

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Pinal</u>	
NAME (OWNER OR OFFICIAL) <u>Dawn Bechamp</u>	TITLE <u>Well Manager</u>
COMPANY NAME <u>Picacho Peak Water Company</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2007</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>8,317</u>
--

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 471
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Dawn R Bechamp
SIGNATURE OF OWNER OR OFFICIAL
(520) 250-1159
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 11 DAY OF

NOTARY PUBLIC NAME <u>MARY C Aumann</u>	
COUNTY NAME <u>MACOMB</u>	
MONTH <u>MARCH</u>	<u>2008</u>

(SEAL)

MY COMMISSION EXPIRES

x Mary C Aumann
SIGNATURE OF NOTARY PUBLIC

Notary Public for the State of Michigan
MACOMB
Aug. 9, 2012
MACOMB